GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3392
ANSWERED ON:05.08.2016
Economic Growth
Patole Shri Nanabhau Falgunrao

Will the Minister of FINANCE be pleased to state:

(a) whether India is growing at the rate of 7.3 percent during the year 2016 and has emerged as the fastest growing economy in the world and if so, the details thereof;

(b) whether according to the World Economic Report of the United Nations, India is expected to achieve a growth rate of 7.5 percent in the year 2017 and if so, the details thereof;

(c) whether Asia/South-Asia is likely to become the centre for world economy and if so, the details thereof along with the role played by India in the same; and

(d) the details of the schemes launched for assisting the regional economy in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a) As per the information available from Central Statistics Office (CSO), the growth rate of Gross Domestic Product (GDP) at constant (2011-12) market prices of India was 7.6 per cent in 2015-16. The International Monetary Fund (IMF), in its World Economic Outlook (WEO), published in July 2016, has projected that India will grow by 7.4 per cent in 2016 and 2017, which would be one of the highest growth among the major world economies. India's growth is projected by the IMF to improve gradually in the coming years.

(b) According to World Economic Situation and Prospects Update of the United Nations, May 2016, India's GDP is expected to grow by 7.3 per cent and 7.5 per cent in 2016 and 2017 respectively, on account of factors like investment demand supported by the monetary easing cycle, rising foreign direct investment, and government's efforts towards infrastructure investment and public-private partnerships.

(c) As per the World Economic Outlook (WEO) Update, published by the International Monetary Fund in July 2016, the global economy is projected to grow at 3.1 per cent and 3.4 per cent respectively during 2016 and 2017. Emerging and Developing Asia is projected to propel the growth of the global economy with growth rates of 6.4 per cent and 6.3 per cent respectively in 2016 and 2017. India is projected by the IMF to grow at 7.4 per cent annually in 2016-17 and 2017-18. With Chinese economy slowing down, India has an increasing role to boost the growth of the Asian regional economy.

(d) The Government of India has taken a number of steps that are likely to help the regional growth through trade and financial channels. Apart from other initiatives, India extends development assistance in the form of Lines of Credit and Grant Assistance to neighbouring countries and countries in South East Asia to import goods and services from India and undertake projects for infrastructure development and capacity building, in accordance with their developmental priorities.
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